



**JANUARY 2000**

# RENTAL CAR TAX ADDENDUM

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NAME \_\_\_\_\_

REGISTRATION \_\_\_\_\_

☐ **I DO NOT RENT CARS TO THE GENERAL PUBLIC.**

## INSTRUCTIONS

- Before completing this addendum, please read the general information concerning the rental car tax on the back of this page.
- If you **are not registered** with the Department of Licensing as a rental car company, write your name and Department of Revenue registration number on the line provided at the top of this page, check the box at the top left of this page that says: "I DO NOT RENT CARS TO THE GENERAL PUBLIC," and attach this addendum to your Combined Excise Tax Return.
- If you **are registered** with the Department of Licensing as a rental car company, write your name and Department of Revenue registration number on the line provided at the top of this page, and complete the following instructions:
  1. On the Rental Car Tax Computation form below, locate the county in which you do business.
  2. Under Taxable Amount, enter the amount of revenue attributable to the retail rental of cars.
  3. Multiply the taxable amount by the rate shown in the Rate column. Enter this total in the Tax Due column.
  4. Repeat steps 1-3 for each county in which you do business.
- 5. Add the amounts from the Tax Due columns and enter the total in the Total State and County Rental Car Tax box at the bottom right of this page.
- 6. Businesses with taxable activity in the Regional Transit Authority (RTA) district need to complete the RTA section also. Enter the amount of gross receipts generated within the RTA district in the designated box at the bottom left of this page and multiply it by the rate indicated immediately to the right. Enter the amount of RTA Rental Car tax in the sections indicated on the bottom of the page.
- 7. Add the Total State and County Rental Car Tax and Total RTA Rental Car Tax portions together and enter the amount in the "Total Rental Car Tax Due" box.
- 8. Transfer the total due to page 1, line 31 of your Combined Excise Tax Return. **Please do not report this tax under the Local City and/or County Sales and Use tax section of the Excise Tax Return.**
- 9. Attach the completed Rental Car Tax Addendum to the completed Combined Excise Tax Return (even if you do not owe the rental car tax).

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## STATE AND COUNTY RENTAL CAR TAX COMPUTATION

County	Location Code	Taxable Amount	Rate	Tax Due	County	Location Code	Taxable Amount	Rate	Tax Due
Adams	0100		.059		Lewis	2100		.059	
Asotin	0200		.059		Lincoln	2200		.059	
Benton	0300		.059		Mason	2300		.059	
Chelan	0400		.059		Okanogan	2400		.059	
Clallam	0500		.059		Pacific	2500		.059	
Clark	0600		.059		Pend Oreille	2600		.059	
Columbia	0700		.059		Pierce	2700		.069	
Cowlitz	0800		.059		San Juan	2800		.059	
Douglas	0900		.059		Skagit	2900		.059	
Ferry	1000		.059		Skamania	3000		.059	
Franklin	1100		.069		Snohomish	3100		.059	
Garfield	1200		.059		Spokane	3200		.069	
Grant	1300		.059		Stevens	3300		.059	
Grays Harbor	1400		.059		Thurston	3400		.059	
Island	1500		.059		Wahkiakum	3500		.059	
Jefferson	1600		.059		Walla Walla	3600		.059	
King	1700		.089		Whatcom	3700		.059	
Kitsap	1800		.059		Whitman	3800		.059	
Kittitas	1900		.059		Yakima	3900		.059	
Klickitat	2000		.059						

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Taxable Sales Within RTA District	Rate	RTA Rental Car Tax Due
	.008	

**Total State and County Rental Car Tax**

**Total RTA Rental Car Tax**

**Total Rental Car Tax Due**

Add total State and County Rental Car, and RTA Rental Car Taxes together and transfer to page one, line 31 of the Combined Excise Tax Return.

## RENTAL CAR TAX GENERAL INFORMATION

Rental cars are exempt from motor vehicle excise tax and subject instead to a 5.9% rental car tax on retail car rentals. The 5.9% rental car tax applies in addition to the retail sales tax. All counties are authorized to collect an additional 1% tax on retail car rentals. Revised Code of Washington (RCW) 82.14.360 gives King County the authority to collect an additional 2% tax on car rentals to fund a new baseball stadium.

“Rental car” means a passenger car used solely by a rental car business for rental to others without a driver provided by the rental car business.

“Rental car” does not include:

- A car licensed and operated as a taxicab.
- A leased car that, at the time the lease is entered, is rented for a continuous period of thirty days or more. (Leased cars are subject to motor vehicle excise tax.)

In order to qualify for exemption from the motor vehicle excise tax, the rental car business must register its rental cars with the Department of Licensing under one of the following methods:

1. A rental car business may register all rental cars that are offered for rental in Washington, or
2. A rental car business with in-state and out-of-state locations may register its rental cars under the International Registration Plan (IRP) and allocate registrations according to the provisions of section 1116 of the IRP.

Rental cars must be used **solely** for rental to others. The car may be moved by the rental car business for the purpose of relocation to another business site, or for the purpose of transporting the car to or from a maintenance or repair facility. Any other use will cause the car to be subject to motor vehicle excise tax.

The state and/or county rental car taxes must be reported on the Rental Car Tax Addendum **only**. **Please do not report this tax on the Retail Sales Tax line or under the Local City and/or County Sales and Use Tax section of the Combined Excise Tax Return.**

You do not have to separately state these taxes on your billing to the customer, but may include them with the state and local retail sales tax. For example, if the state and local sales tax rate is 8.2% and the 1% county rental car tax applies, for a combined rental car rate of 6.9%, then the total charged to your customer would be 15.1%.

### IF YOU NEED HELP

If you need help completing this addendum, please contact the Department of Revenue’s Telephone Information Center at (800) 647-7706. Teletype (TTY) users may call (800) 451-7985.

To inquire about the availability of this form in an alternate format for the visually impaired or a language other than English, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985. You may also access tax information on our Internet home page at <http://dor.wa.gov>.